

## SPECIAL CITY COUNCIL MEETING

COUNCIL CHAMBERS

JUNE 20, 2002

9:00 A.M.

## CITY COUNCIL

JAN SUMRALL DISTRICT NO. 1

ROSE RODRIGUEZ
DISTRICT NO. 2

LARRY M. MEDINA DISTRICT NO. 3

> JOHN COOK DISTRICT NO. 4

DANIEL S. POWER DISTRICT NO. 5

PAUL J. ESCOBAR DISTRICT NO. 6

LUIS G. SARIÑANA DISTRICT NO. 7

ANTHONY COBOS DISTRICT NO. 8

The City Council met in special session at the above place and date at approximately 9:15 a.m., Mayor Raymond C. Caballero present and presiding and the following Council Members answered roll call: Jan Sumrall, Rose Rodriguez, Larry M. Medina, John F. Cook, Daniel S. Power, and Luis G. Sariñana, and Anthony Cobos. Representative Paul J. Escobar arrived at 9:20 a.m. Absent: None.

## **AGENDA**

- 1. a. Public Hearing on the Proposed Annual Action Plan 2002-2003, including the 28<sup>th</sup> Year (2002-2003) Community Development Block Grant (CDBG) Program, the FY 2002 Emergency Shelter Grant (ESG) Program and the FY 2002 HOME Investment Partnerships Program Budgets and Program performance related to these Grant Programs.
- b. Discussion and action on the adoption of the Final Annual Action Plan 2002-2003, including the 28<sup>th</sup> Year (2002-2003) Community Development Block Grant (CDBG) Program, the FY 2002 Emergency Shelter Grant (ESG) Program and the FY 2002 HOME Investment Partnerships Grant Program Budgets.
- 2. Resolution that the Mayor be authorized to sign and submit to the Department of Housing and Urban Development (HUD) the Annual Action Plan 2002-2003 and all certifications contained therein; and

That the Mayor be authorized to sign the Grant Agreements with HUD for the three entitlement grants covered by the Annual Action Plan: the Community Development Block Grant, the Emergency Shelter Grant and the HOME Investment Partnerships Program; and

That the Mayor be authorized to sign Letters of Support, Certifications of Local Government Approval, and Certifications of Consistency with the Consolidated Plan required by HUD or the State of Texas for grant applications or applications for Low-Income Housing Tax Credits or programs covered by the Consolidated Plan; and

That the Mayor be authorized to sign standard Social Service Grant, Housing and Housing Services Grant, Emergency Shelter Grant, Planning Grant and Public Facility Project Contracts with the Jencies approved for funding in the Annual Action Plan for 2002-2003, as approved by the City Attorney's Office and the Director of Community and Human Development; and

That the Mayor be authorized to sign all Environmental Assessments, Requests for Releas of Funds, Certifications, and Performance Reports required by the U. S. Department of Housing and Urba Development for activities covered by the Consolidated Plan 2000-2005 and the Annual Action Plan 2002 2003.
A copy of the 28 <sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list is filed in the City Clerk's office.
Motion made by Representative Cook, seconded by Representative Sumrall, and unanimously carried to open the Public Hearing.
Mayor Caballero opened the meeting by thanking Ms. Debbie Hamlyn, Director of Community Development, the CDBG Steering Committee, and staff for the hard work of reviewing the applications. He said, because there is so much need and very little money, the decisions made by committee, staff, and ultimately by Council are difficult. He added that Council demands that the programs comply in all aspects.
Ms. Hamlyn explained that the purpose of this meeting is to receive comments on projects and adopt the Final Annual Action Plan 2002-2003, including the 28 <sup>th</sup> Year (2002-2003) Community Development Block Grant (CDBG) Program, the FY 2002 Emergency Shelter Grant (ESG) Program and the FY 2002 HOME Investment Partnerships Grant Program Budgets and the Department of Housing and Urban Development (HUD) Annual Action Plan 2002-2003.
Ms. Hamlyn suggested, since there are changes to some items that Council need to know about, that the numbered items be approved by category, leaving the remaining, singled out items to be discussed in detail, for the later of the meeting.
Mayor Caballero suggested discussing items in need of a revision individually and agreed with Ms. Hamlyn.
Motion made by Representative Sumrall, seconded by Representative Medina, and unanimously carried to approve Items #1 through #12 under the "Children and Youth Support Services" category from the 28 <sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.
Motion made by Representative Medina, seconded by Representative Escobar, and unanimously carried to approve Items #13 through #28 under the "Youth Recreation and Development Services" category from the 28 <sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.
Representative Medina questioned what "under Sun Country" meant for items #13 through #28 under the Proposed Budget column.
Mr. Robert Salinas, Community Development, explained that the collaborative would be using funds from Sun Country via a sub-contract through the Parks and Recreation Department.
Motion made by Representative Cook, seconded by Representative Sumrall, and unanimously carried to pprove Items #41 through #53 under the "Mental and Medical Health Services" category from the 28 <sup>th</sup> (ear (2002-2003) Community Development Final Budget Recommendations list.
Motion made by Representative Sumrall, seconded by Representative Sariñana, and unanimously carried approve Items #54 through #66 under the "Seniors and Persons With Disabilities Services" category om the 28 <sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.
epresentative Cook stated that he serves on the Board for Project Amistad; however, voting on the item ould not cause a conflict.

Motion made by Representative Medina, seconded by Representative Escobar, and unanimously carried to approve Items #69 through #70 under the "Planning Projects" category from the 28<sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.

Motion made by Representative Medina, seconded by Representative Escobar, and carried to approve Items #71 through #148 under the "Public Facilities Projects" from the 28<sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.

Representative Cobos voted Nay. He commented that his district was the oldest district and also the heart of El Paso. He stated that more effort was needed regarding the deteriorating roads and drainage systems. He noticed that a disproportionate share of the money was allocated to Representative Medina's district, and asked Representative Medina to compromise and give some of the monies to Representative Cobos' district.

Mayor Caballero stated that Representative Cobos' district had received the lion's share of attention from this City Council and Administration more than any other Council's in the past. He proceeded to give some examples such as the Housing Finance Corporation and the replacements of the water and waste lines scheduled for the Sunset Heights area.

Representative Cobos stated that the Housing Finance Corporation applies not only to district eight but also to districts three and two as well.

Representative Cook highlighted some of the projects where district eight would be receiving money and stated that districts four and five did not get any money this year. He proceeded to comment that some districts get more money than others but what matters is that the process works to benefit the City of El Paso.

Representative Medina responded he and his constituents had worked together diligently in order that the District may receive the funding it had requested in past years.

Mr. Sebastian Martinez, citizen, commented on Item #71, Collingsworth Subdivision Phase IV Drainage and Street Improvements, specifically Wymond Court. He asked that an adjustment be made regarding a wall that was built and a change in the plans so that soil would be placed in an area between the smaller and larger wall, in addition, add desert landscaping. He stated that his community group would maintain the landscaping.

Ms. Hamlyn explained that the project had been designed and the issue would need to be revisited. She advised that the discussion was regarding the approval of the construction money and suggested that Council recommend the item number be referred to the design engineers.

Mayor Caballero thanked the neighborhood advocacy groups for their attention to their neighborhoods and Representative Medina thanked Mr. Martinez and the neighborhood for their efforts.

Motion made by Representative Sumrall, seconded by Representative Escobar, and unanimously carried to approve Items #149 through #153 under the "Administration" category from the 28<sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.

Representative Sumrall expressed how appreciative and thankful she was for Ms. Hamlyn and her staff for their continued efforts to progress the City of El Paso in a positive manner.

Mr. Tony Gonzalez, Chairman of the Steering Committee, thanked Mr. Sanchez and the other members of ne Committee for their diligent and hard work. He stated that the process was very long and that the Committee had researched every item diligently. He explained that funds had been pre-committed from

previous years and all projects help the City as a whole, even if it does not look like all Districts receive a fair share. He also thanked Ms. Hamlyn and staff for assisting the Committee in the process.

Mayor Caballero thanked Mr. Gonzalez and the Committee for putting in the long hours. He explained that the Committee was ultimately an advisory board and that Council would be making the ultimate decisions.

Mr. Gonzalez suggested that when Council recommends a change that they also recommend from which projects to decrease the funds.

Representative Sariñana thanked his appointee, Mr. Gonzalez, the Steering Committee and the Community Development Department. He stated that the years on Council have not been easy especially when El Paso needs restoration throughout; however, funds are short, and he had tried to do his best for his district.

Motion made by Representative Sumrall, seconded by Representative Cook, and unanimously carried to approve Attachment C, Final 2002-2003 Home Investment Partnerships Grant Distribution by Funding Categories.

Motion made by Representative Sumrall, seconded by Representative Cook, and carried to approve Items #67 and #68 under the "Housing Projects" category from the 28<sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list.

Representative Cobos voted Nay. Representative Escobar was not present for the vote.

Ms. Hamlyn discussed the changes to project #67, Alameda Housing Project, applicant Project Vida Community. She explained that the City requested technical assistance from HUD for housing programs and a Mr. Monty Franke came and reviewed how the home dollars could be more efficiently spent. She remarked that it was decided the Community Development Department would be proposing a new way to spend the funds starting in September.

Mayor Caballero clarified that the change did not affect this year's budget and noted that the Community Development Department would consider Project Vida under the "home category" to free up monies for parks and other projects.

Representative Cook questioned the possibility that not committing the money to the project would jeopardize the empowerment zone money.

Representative Sumrall reiterated the money was there but under a different sub object.

Mr. Charlie McNabb, Chief Administrative Office, explained that in regard to Community Development projects and the manner with which the monies are expended, El Paso was a star in the United States. He noted that the City of El Paso had received a letter of commendation from HUD regarding the spending of HUD dollars.

Mr. Bill Schlesinger, Co-Director of Project Vida, expressed his appreciation for the City's efforts.

Mayor Caballero stated that projects currently "in the pipeline" would be funded, however, he noted that Project Vida did not pay property taxes. He suggested that Project Vida purchase homes that would add to the tax base.

Mr. Schlesinger responded that he would be happy to discuss that issue with the Mayor and come up with some type of pilot (payment in lieu of taxes) program.

Pastor Phillip Webb from St. Andrew Presbyterian Church, commended Council for housing the poor. He commended Project Vida and stated that his church supported the project and explained that Project Vida

tries to meet the needs of the underprivileged by supporting educational programs and instilling pride for homeowners.

Representative Medina discussed the Community Development Department's use of funds for rehabilitating individuals and homes.

Motion made by Representative Escobar, seconded by Representative Sumrall, and carried to approve Items #29 through #40 with the exception of placing the funding for #38, Sin Fronteras Organizing Project, in the contingency fund and revisit the allocation of the funding in sixty days. These projects are under the "Homeless, Emergency Shelter and Housing Services" category from the 28<sup>th</sup> Year (2002-2003) Community Development Final Budget Recommendations list filed in the City Clerk's Office.

Mr. Robert Salinas, Community Development Department, commented on the list of citizen complaints regarding Sin Fronteras. He stated that there were 12 agencies that fall under the Homeless, Emergency Shelter and Housing Services category; however, the Department had only received complaints for this one particular organization. (A copy of the list of complaints was filed in the City Clerk's Office).

Representative Sumrall commented it appeared that some of the complaints were of a criminal nature and suggested turning them over to the District Attorney's office.

Mr. Charlie McNabb, Chief Administrative Officer, responded that several agencies had investigated the issues and an inquiry by the Attorney General had been initiated.

Representative Sariñana stated he had visited the center and understood the Community Development Department was to be on top of the issue. He added if the organization had continued to violate policy why hadn't the money been revoked.

Ms. Hamlyn responded that the department had continually monitored the situation, to include Police Department intervention. She noted she was aware of the problems and allegations and which was why she brought the situation to the Mayor's attention. She explained that the City's contract with Sin Fronteras related to personnel and Sin Fronteras was in compliance.

Mayor Caballero questioned why individuals were not receiving free meals, why the workers were paying for blankets and other issues.

Representative Cook stated that he has stopped and asked the people sleeping on the streets why they were sleeping there rather than at the shelter and they responded "because they wanted to be first in line for work in the morning".

Mayor Caballero asked Mr. Carlos Marentes, Sin Fronteras Director, whether or not the workers could leave at 4:00 a.m.

Mr. Marentes responded that workers sleep outside because they do not want to be inside and noted that the doors were always open.

Representative Cobos discussed some of the complaints and remarked that there was a real effort to undermine the board of this facility.

Mayor Caballero explained Sin Fronteras had not respond to a letter written by the Community Development Department and dated April 2, 2002, until yesterday.

Representative Sariñana clarified that Council could not pull the money due to the organization fulfilling heir contract.

Ms. Hamlyn commented on the following two separate issues:

- 1. Community Development provided monies for operation costs and Sin Fronteras had met their requirements. She explained that the department had provided funds in order to provide a building for Sin Fronteras approximately 10 years ago at a cost of \$1.2 million dollars. She noted that Sin Fronteras must provide the services and meet the needs of farm workers; however, the contract for the building expires this December. After December, Sin Fronteras would own the building.
- 2. Community Development had sent a letter to Sin Fronteras dated April 2,2002 and another letter dated June 4, 2002. The Department did not receive a response from the April 2, 2002 until yesterday, June 19, 2002.

Mr. Carlos Marentes, Executive Director for Sin Fronteras, explained that Sin Fronteras was founded in 1983, trying to service the migrant farm workers. He stated that on April 2, 2002 they received a letter listing the allegations; however, on April 6, 2002, Sin Fronteras had a fire in the kitchen. He added that the fire had caused the center to experience no electricity, no phone system and no food could be provided for farm workers. He explained that on April 29, 2002, he had called the Community Development department to request an extension to respond to the June 2, 2002 letter. He stated that his office would need additional time to research and put together our response to the allegations. He noted that he had never received a second letter explaining that the extension had been denied. He commented that 186 persons were there to receive services Wednesday, June 19, 2002, and questioned why so many people would utilize this facility if the allegations were true.

Representative Cook stated that he had visited the center and he believed Sin Fronteras was completing the mission as they were established for. He commented that the facility would need to be increased due to the number of people utilizing the services. He stated that the workers had complained to the Bishop at Sacred Heart rather than meet with the Board of Director to discuss the complaints.

Mr. Jose Avila, Administrative Assistant/Consultant for Sin Fronteras, explained that he has been a consultant for the organization since 1995. He explained that the same individuals had been complaining for many years. He stated that Mr. Marentes had prepared documentation in response to each item in the letter and had forwarded the document to their attorney for review. He remarked that his organization was not the same as the other 12 listed due to the type of individuals receiving their assistance. He clarified that these individuals were migrant and seasonal agricultural workers, their families and the neighboring residents.

Representative Escobar stated there had not been any complaints received by the Community Development Department regarding any of the other 11 agencies that provide shelter, but only about Sin Fronteras.

Mr. Avila responded that farm workers were a different type of clientele with special needs and that the complaints are from the same group of farm workers and the same Bishop.

Mr. Salinas clarified that the letter sent on April 2, 2002 explained a deadline of April 30, 2002 and that the department had received no response; however on May 2, 2002, the Community Development Department had a meeting with Mr. Marentes.

Mr. Guillermo Glenn, Coordinator for the Asociacion de Trabajadores Fronterizos, commented that the Texas Workforce Commission should be investigated as this agency does little to assist the Hispanic workers. He added that Sin Fronteras did more for farm workers than any other organization.

Representative Medina questioned the total amount for Sin Fronteras's annual budget and how much money of that annual budget did the City contribute to.

Mr. Marentes responded that their total budget is for approximately \$300,000 and that one-third of that comes from the City.

Representative Cook asked Mr. Marentes whether his agency had been convicted of any crime by any other organization.

Mr. Marentes responded no.

Representative Medina requested that an official investigation be made from Community Development and law enforcement agencies.

Representative Sumrall suggested visiting the center before they make a decision.

Representative Escobar asked if Council would be able to get the results of the previous investigations as mentioned by Ms. Hamlyn.

Mr. McNabb responded that the request to obtain previous investigation results may or may not be possible; however, he would research the matter.

Mayor Caballero asked if the item might be postponed.

Mr. McNabb recommend that the budget be approved and that the monies allocated for Sin Fronteras be placed in a contingency fund.

Representative Sariñana amended the motion to add that action be taken within 60 days.

Representative Cook and Representative Cobos left the meeting at 11:02

Motion made by Representative Sariñana, seconded by Representative Sumrall, and unanimously carried to approve the 28<sup>th</sup> Year (2002-2003) Emergency Shelter Grant Program Final Budget, Attachment B, with the two following exceptions: \$16,764 under the Proposed Essential Services 30% Cap (column B) and \$10,570 under the Proposed Maintenance Operation, Insurance, Utilities (column C), of the table filed in the

City Clerk's Office.

Motion made by Representative Sariñana, seconded by Representative Escobar, and unanimously carried to adjourn this meeting at 11:07 a.m.

APPROVED AS TO CONTENT:

Diana Nuñez, Deputy City Clerk

APPROVED AS TO FORM:

Lee Ann Koehler Assistant City Attorney